

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

July 1, 2015

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: **REQUEST FOR CONFIDENTIAL TREATMENT**
WC Docket No. 14-58 - ETC Annual Reports and Certifications

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan Progress Report included in FCC Form 481

Confidential Financial Information – Subject to Protective Order in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, 14-58, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, West Plains Telecommunications, Inc. (the Company), Study Area Code 442171 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket No. 14-58. The Company, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's June 17, 2015 *Protective Order* in WC Docket No. 10-90 *et al.* These attachments contain competitively sensitive data that West Plains Telecommunications, Inc. maintains as

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confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

Five-Year Service Quality Improvement Plan Progress Report

Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, West Plains Telecommunications, Inc. requests that the text and data extracted from its five-year service quality improvement plan progress report be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Company keeps confidential. Public availability of this information would have a substantial negative impact on the Company.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report. Specifically, confidential treatment is sought for all information in the five-year plan progress report related to the Company's access line counts, existing broadband capabilities, and current and planned financial investments in its network that will improve service quality, service coverage, and/or service capacity for its customers.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket No. 14-58 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan progress report contains granular information on the Company's access line counts and/or existing broadband capabilities as well as recent and planned capital investments in its network to improve service quality, service coverage, and/or service capacity. It also contains a map of the Company's service area detailing progress toward meeting broadband deployment



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targets at the wire center level. This is closely guarded, privileged information that the Company does not make publicly available.

- (4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wireline broadband provider, such as a larger cable company, who will typically seek to “cherry pick” the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.

- (5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed, granular information regarding the Company’s access line count, its existing broadband capabilities, and its recent and planned network investments that improve service quality, coverage, and/or capacity for subscribers. This would give competitors invaluable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Company.

- (6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Company has continually treated the extracted information in its five-year plan progress report as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.

- (7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan progress report is not available to the public, and third-party access is limited as described in (6) above.

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- (8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Company requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report details the Company's most recent network upgrades in relation to its previously submitted service quality improvement plan. It may also contain upcoming planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

- (9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). West Plains Telecommunications, Inc. seeks confidential treatment of its financial annual report pursuant to the June 17, 2015 *Protective Order* in WC Docket No. 10-90, *et al.*¹ The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

West Plains Telecommunications, Inc. is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the five-year service quality improvement plan progress report confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

¹ *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, *Protective Order*, DA 15-712 (rel. June 17, 2015).

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Two copies of the Form 481 filing in redacted form and an accompanying cover letter are also being provided with the confidential filing. Each page of the redacted filing and accompanying cover letter is marked "REDACTED – FOR PUBLIC INSPECTION."

Two copies of this cover letter and the Form 481 filing with the confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau.

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Deb Morgan". The signature is written in a cursive, flowing style.

Deb Morgan
Authorized Representative for
West Plains Telecommunications, Inc.

DM/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, (2 hardcopies of non-redacted submission)

Mr. Mark Washington, West Plains Telecommunications, Inc.

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name: Person USAC should contact with questions about this data	Patti Kent
<035>	Contact Telephone Number: Number of the person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	pattik@fivearea.com

ANNUAL REPORTING FOR ALL CARRIERS	54.313 Completion Required	54.422 Completion Required
-----------------------------------	----------------------------------	----------------------------------

<100>	Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200>	Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210>	<input checked="" type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300>	Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310>	Detail on Attempts (voice)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330>	Detail on Attempts (broadband)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410>	Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420>	Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440>	Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450>	Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510>	442071tx510.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600>	Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610>	442071tx610.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700>	Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710>	Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800>	Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000>	Voice Services Rate Comparability Certification	Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010>	442071tx1010.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100>	Certify whether terrestrial backhaul options exist (Yes or No)	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>		(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com
<110>	Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing "5 year plan" filed with the FCC?	<input checked="" type="radio"/> (yes / no) <input type="radio"/> (yes / no) <input type="radio"/>
<111>		

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

442071tx112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113>	Maps detailing progress towards meeting plan targets	Yes
<114>	Report how much universal service (USF) support was received	Yes
<115>	How much (USF) was used to improve service quality and how support was used to improve service quality	Yes
<116>	How much (USF) was used to improve service coverage and how support was used to improve service coverage	Yes
<117>	How much (USF) was used to improve service capacity and how support was used to improve service capacity	Yes
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	Not Applicable

(200) Service Outage Reporting (Voice)
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com

[illegible]

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

442071

WEST PLAINS TELECOMMUNICATIONS INC.

2016

Patti Kent

8062725533 ext.

pattik@fivearea.com

1/1/2015

[illegible]

**(800) Operating Companies
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0985/OMB Control No. 3060-0819
July 2013

[illegible]

(900) Tribal Lands Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com

<910>	Tribal Land(s) on which ETC Serves	
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<920>	Tribal Government Engagement Obligation	
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Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

Select Yes or No or Not Applicable

- | | |
|-------|--|
| <921> | Needs assessment and deployment planning with a focus on Tribal community anchor institutions. |
| <922> | Feasibility and sustainability planning; |
| <923> | Marketing services in a culturally sensitive manner; |
| <924> | Compliance with Rights of way processes |
| <925> | Compliance with Land Use permitting requirements |
| <926> | Compliance with Facilities Siting rules |
| <927> | Compliance with Environmental Review processes |
| <928> | Compliance with Cultural Preservation review processes |
| <929> | Compliance with Tribal Business and Licensing requirements. |

(1100) No Terrestrial Backhaul Reporting

Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers		FCC Form 481	
Lifeline		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
Data Collection Form		July 2013	

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	<div>442071tx1210.pdf</div>	Name of Attached Document
<1220>	Link to Public Website	HTTP	

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>

(2000) Price Cap Carrier Additional Documentation

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725553 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@livearea.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)i}
- <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)ii}
- <2011b> Attachment {47 CFR § 54.313(b)(1)ii}

Name of Attached Document(s) Listing Required Information

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}
- <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}
- <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}
- <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

Certification Support Used to Build Broadband

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Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification

<2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

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- <2021> Interim Progress Community Anchor Institutions

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Name of Attached Document(s) Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation

Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS, INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@livearea.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3010) Progress Report on 5 Year Plan

Milestone Certification (47 CFR § 54.313(f)(1)(ii))

442071tx3010.pdf	Name of Attached Document Listing Required Information
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(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

☒

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

442071tx3012.pdf	Name of Attached Document Listing Required Information
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(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))

(3014) If yes, does your company file the RUS annual report

<input checked="" type="checkbox"/>	(Yes/No)
<input checked="" type="checkbox"/>	(Yes/No)

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

☐

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

	Name of Attached Document Listing Required Information
--	--

<input checked="" type="checkbox"/>	(Yes/No)
<input checked="" type="checkbox"/>	(Yes/No)

(3018) If the response is no on line 3014, Is your company audited?

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

☒

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☒

(3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit

☒

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,

☐

(3023) Underlying information subjected to a review by an independent certified public accountant

☐

(3024) Underlying information subjected to an officer certification.

☐

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

442071tx3026.pdf	Name of Attached Document Listing Required Information
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(3026) Attach the worksheet listing required information

(3000) Rate Of Return Carrier Additional Documentation (Continued)

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

Data Collection Form

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	
<035>	Contact Telephone Number - Number of person identified in data line <030>	Patti Kent 8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com



- Financial Data Summary
- (3027) Revenue

(3028) Operating Expenses

(3029) Net Income

(3030) Telephone Plant In Service(TPIS)

(3031) Total Assets

(3032) Total Debt

(3033) Total Equity

(3034) Dividends

**Certification - Reporting Carrier
Data Collection Form**FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442071
<015>	Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Patti Kent
<035>	Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

**Certification - Agent / Carrier
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	442071
<015> Study Area Name	WEST PLAINS TELECOMMUNICATIONS INC.
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Patti Kent
<035> Contact Telephone Number - Number of person identified in data line <030>	8062725533 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	pattik@fivearea.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Deb Morgan</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	<u>Deb Morgan</u>
Name of Reporting Carrier:	<u>WEST PLAINS TELECOMMUNICATIONS INC.</u>
Signature of Authorized Officer:	<u>CERTIFIED ONLINE</u> Date: <u>06/29/2015</u>
Printed name of Authorized Officer:	<u>Mark Washington</u>
Title or position of Authorized Officer:	<u>General Manager, CEO</u>
Telephone number of Authorized Officer:	<u>8062725533 ext.</u>
Study Area Code of Reporting Carrier:	<u>442071</u> Filing Due Date for this form: <u>07/01/2015</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	<u>WEST PLAINS TELECOMMUNICATIONS INC.</u>
Name of Authorized Agent or Employee of Agent:	<u>Deb Morgan</u>
Signature of Authorized Agent or Employee of Agent:	<u>CERTIFIED ONLINE</u> Date: <u>06/29/2015</u>
Printed name of Authorized Agent or Employee of Agent:	<u>Deb Morgan</u>
Title or position of Authorized Agent or Employee of Agent:	<u>Manager</u>
Telephone number of Authorized Agent or Employee of Agent:	<u>5123432544 ext.</u>
Study Area Code of Reporting Carrier:	<u>442071</u> Filing Due Date for this form: <u>07/01/2015</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

**LINE 112 – FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PROGRESS REPORT**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

West Plains Telecommunications, Inc. (“the Company”) complies with applicable service quality standards and consumer protection rules for its voice and broadband services.

The rates, terms, and conditions under which the Company operates are outlined in its local exchange tariff, which is approved by the Public Utility Commission of Texas (“Texas PUC”). The tariff contains provisions regarding the Company’s customer service and protection practices.

Service quality standards for voice service are established by the Texas PUC. The Company consistently meets or exceeds those standards and provides reports to the Texas PUC, in accordance with the Texas PUC’s rules.

With regard to broadband service, the Company provisions its network and equipment to ensure that its customers can enjoy the speeds to which they subscribe. However, Internet speeds generally result from a “best effort” service and are dependent upon a number of variables, many of which are outside the control of the Company.

The Company complies with any and all consumer protection obligations under state law.

The Company also complies with the following consumer best practices: (1) the Company discloses its rates and terms of service to customers; (2) the Company provides specific disclosures in its advertising; (3) the Company separately identifies carrier charges from taxes on its billing statements; (4) the Company provides ready access to customer service; (5) the Company promptly responds to consumer inquiries and complaints received from government agencies; and (6) the Company abides by policies for protection of consumer privacy.

Finally, the Company has a policy and established operating procedures that comply with the FCC’s Customer Proprietary Network Information (CPNI) rules (47 C.F.R. §§64.2001-64.2011). Certification of the Company’s compliance with CPNI rules and a description of the Company’s operating procedures that ensure compliance are filed annually with the FCC.

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

West Plains Telecommunications, Inc. is able to function in emergency situations for both voice and broadband service. The Company has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Company is able to reroute traffic around damaged facilities. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

LINE 1010 – VOICE SERVICES RATE COMPARABILITY

The Wireline Competition Bureau's most recent reasonable comparability benchmark for voice services is \$47.48, which includes the federal subscriber line charge ("SLC").¹

In all of the exchanges served by West Plains Telecommunications, Inc. ("the Company"), the single-line residential local rate, including any mandatory extended area service charge, is \$15.44. When the federal SLC (\$6.50) and the state universal service fee (\$.57) are included, the rate becomes \$22.51. Therefore, the Company's pricing of fixed voice services is less than the reasonable comparability benchmark of \$47.48.

¹ *Wireline Competition Bureau Announces Results of 2015 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 15-470 (rel. April 16, 2015).

LINE 1210 – TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE PLANS

West Plains Telecommunications, Inc. offers qualified Lifeline subscribers a discount of either \$13.25 (9.25 federal discount + 3.50 state discount + \$0.50 area discount) or \$13.17 (\$9.25 federal discount + \$3.50 state discount + \$0.42) or \$13.10 ((\$9.25 federal discount + \$3.50 state discount + \$0.35 area discount) on a flat-rate residential access line, depending upon the exchange.

The Lifeline single-line residential rates, including any applicable mandatory extended area service charge and the federal subscriber line charge (“SLC”) are provided below for the exchanges the Company serves:

Sudan and Muleshoe Exchanges are **\$8.69** (\$21.94 standard rate - \$13.25 Lifeline discount);

Earth and Springlake Exchanges are **\$8.84** (\$21.94 standard rate - \$13.10 Lifeline discount);

Olton Exchange is **\$8.77** (\$21.94 standard rate - \$13.17 Lifeline discount).

The residential access line provided on a stand-alone basis or as part of a package always includes an unlimited number of local calling minutes.

Toll calls for a stand-alone access line are billed at the rate of the carrier chosen by the customer.

The Company does not disconnect the service of Lifeline subscribers for the non-payment of toll charges. However, the Company reserves the right to implement toll blocking, at no charge, if the customer incurs a significant balance of unpaid toll bills.

Lifeline Program reductions do not apply to additional services such as information-related services and custom calling features. Lifeline customers may subscribe to these services, where available, at the same rates offered to other customers.

Additional information regarding the terms and conditions of voice telephony Lifeline plans can be found at: <http://www.fivearea.com/images/homepage/lifeline.pdf>.

TEXAS 658-A12 WEST PLAINS

WEST PLAINS TELECOMMUNICATIONS, INC.

MULESHOE, TEXAS

FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

LUBBOCK, TEXAS

**WEST PLAINS TELECOMMUNICATIONS, INC.
MULESHOE, TEXAS**

**FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

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BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**CERTIFIED PUBLIC ACCOUNTANTS****PHONE: (806) 747-3806****FAX: (806) 747-3815****8215 NASHVILLE AVENUE****LUBBOCK, TEXAS 79423-1954****Independent Auditor's Report**

Board of Directors
West Plains Telecommunications, Inc.
Muleshoe, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of West Plains Telecommunications, Inc. (the Company), which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of income, changes in stockholder's equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2014 and 2013, and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Accompanying Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedules of telecommunications plant, accumulated provision for depreciation and RUS mortgage notes for the year ended December 31, 2014, are shown on pages 15 through 17. The accompanying information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The accompanying information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2015 on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

April 8, 2015

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WEST PLAINS TELECOMMUNICATIONS, INC.**Exhibit A****BALANCE SHEETS
DECEMBER 31, 2014 AND 2013****ASSETS**

	December 31,	
	2014	2013
CURRENT ASSETS		
Cash and Working Funds		
Temporary Cash Investments		
Telecommunications Accounts Receivable (Less Provision for Uncollectibles of \$2,315 in 2014 and \$3,299 in 2013)		
Other Accounts Receivable (Less Provision for Uncollectibles of \$2,000 in 2014 and \$2,000 in 2013)		
Materials		
Prepayments		
Net Current Deferred Income Taxes		
OTHER NONCURRENT ASSETS		
Investments in Associated Organizations		
Noncurrent Cash Investments		
PLANT, PROPERTY AND EQUIPMENT		
Telecommunications Plant In Service		
Plant Under Construction		
Less: Accumulated Provision for Depreciation and Amortization		
TOTAL ASSETS		

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES	
Current Maturities of Long-Term Debt	
Accounts Payable	
Accounts Payable - Related Parties	
Advance Billing and Payments	
Customer Deposits	
Accrued Taxes	
Accrued Federal and State Income Taxes	
Net Current Deferred Income Taxes	
Other Current and Accrued Liabilities	
LONG-TERM DEBT	
RUS Mortgage Notes - Less Current Maturities	
OTHER NONCURRENT LIABILITIES AND DEFERRED CREDITS	
Net Noncurrent Deferred Income Taxes	
Deferred Credits	
STOCKHOLDER'S EQUITY	
Common Stock (No par value; 100,000 authorized; 1,000 shares issued and outstanding)	
Paid in Capital	
Retained Earnings	
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	

See accompanying notes to the financial statements.

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WEST PLAINS TELECOMMUNICATIONS, INC.**Exhibit B****STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	December 31,	
	2014	2013
OPERATING REVENUES		
Local Network Services		
Intrastate Network Access Services		
Interstate Network Access Services		
Federal and State Universal Service Fund High Cost Support		
Long Distance Network Services		
Carrier Billing and Collection Services		
Miscellaneous Revenue		
Uncollectible Revenue		
OPERATING EXPENSES		
Plant Specific Operations		
Plant Nonspecific Operations		
Depreciation Expense		
Customer Operations		
Corporate Operations		
Operating Taxes		
NET OPERATING INCOME BEFORE FIXED CHARGES		
FIXED CHARGES		
Interest on Long-Term Debt		
Allowance for Funds Used During Construction		
NET OPERATING INCOME		
NON-OPERATING INCOME (LOSS)		
Interest and Dividends		
Other Expenses		
NET INCOME BEFORE TAXES		
INCOME TAX EXPENSE		
NET INCOME		

See accompanying notes to the financial statements.

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WEST PLAINS TELECOMMUNICATIONS, INC.**Exhibit C****STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>Common Stock</u>	<u>Paid in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance - December 31, 2012				
Net Income				
Balance - December 31, 2013				
Net Income				
Balance - December 31, 2014				

See accompanying notes to the financial statements.

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WEST PLAINS TELECOMMUNICATIONS, INC.

Exhibit D

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	December 31,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income - (Exhibit B)		
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation Expense		
Capital Credits - Noncash		
Accounts Receivable		
Deferred Income Taxes		
Other Noncurrent Liabilities		
Materials and Other Current Assets		
Accounts Payable - Related Parties		
Payables and Accrued Expenses		
Net Cash from Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to Telecommunications Plant		
Plant Removal Costs		
Salvage Value of Retirements and Other Credits		
Net Change in Noncurrent Cash Investments		
Net Cash from Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Long-Term Debt to RUS		
Net Change in RUS Cushion of Credit		
Net Cash from Financing Activities		
NET CHANGE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		
CASH AND CASH EQUIVALENTS - END OF YEAR		
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Interest on Long-Term Debt		
Income Taxes		

See accompanying notes to the financial statements.

WEST PLAINS TELECOMMUNICATIONS, INC.**NOTES TO FINANCIAL STATEMENTS****1. Nature of Operations and Summary of Significant Accounting Policies****Business Activity – Nature of Operations**

West Plains Telecommunications, Inc. (the Company) is a telecommunications utility acting as a local exchange carrier within the state of Texas, offering telecommunication services to the public under its Certificate of Public Convenience and Necessity issued by the Public Utility Commission of Texas. The Company is wholly-owned by its parent company Five Area Telephone Cooperative, Inc.

System of Accounts

The accounting records of the Company conform to the Uniform System of Accounts prescribed by the Federal Communications Commission for Class A telephone companies, as modified for telephone borrowers of the Rural Utilities Service (RUS).

Temporary Cash Investments

Temporary cash investments consist of certificates of deposit carried at cost.

Other Accounts Receivable

Other accounts receivable consist primarily of receivables from connecting interexchange carriers and from the National Exchange Carriers Association and the federal and state universal service funds.

Accounting Policies for Trade Receivables

In the normal course of business, the Company recognizes accounts receivable for telecommunications services provided and billed. The Company allows 30 days from the date of bill for payment to be received or the service is disconnected. No interest is accrued on delinquent outstanding balances.

The Company provides an allowance for doubtful accounts to recognize the portion of the receivables considered uncollectible. The allowance is estimated based on an aging of receivables and is tied to amounts owing in excess of 90 days. Management of the Company periodically reviews delinquent accounts and charges off accounts over 180 days old.

Inventories

Materials are valued at average unit cost.

Advertising Costs

The Company's policy is to directly expense all non-direct response advertising cost as incurred. The total marketing and advertising costs for the years ended December 31, 2014 and 2013 were \$[REDACTED] and \$[REDACTED], respectively.

Other Plant, Property and Equipment

Other plant, property and equipment is stated at the original cost of construction and acquisition which includes the cost of contracted services, direct labor, materials, allowance for funds used during construction (capitalized interest), and overhead items. Contributions from others toward construction are credited to the applicable plant accounts.

When property which represents a retirement unit is replaced or removed, the average cost of such property, as determined from the continuing property records, is credited to plant, and such costs, together with cost of removal less salvage, is charged to the accumulated provision for depreciation.

Maintenance and repairs, including the removal of minor items of plant not comprising a retirement unit, are charged to the appropriate maintenance accounts, except repairs of transportation and service equipment, which are charged to clearing accounts and redistributed to costs of construction and plant specific operations.

The Company provides for depreciation on a straight-line basis at annual rates which will amortize the property over its estimated useful life.

Cash and Cash Equivalents

For purposes of the statements of cash flow, the Company considers cash and temporary cash investments maturing in one year or less to be cash and cash equivalents. Temporary cash investments consist of certificates of deposit maturing in less than one year.

Regulatory Accounting

The Company is subject to regulation by the Federal Communications Commission (FCC), and the Public Utility Commission of Texas (the Commission), and follows accounting for regulated enterprises prescribed by the Statement of Financial Accounting Standards generally accepted in the United States of America.

Revenue Recognition

Revenue is recognized in the period earned regardless of the period it is billed.

Monthly service plan revenues derived from local service are billed in arrears and recognized in the month that service is provided. Usage sensitive revenues such as access (revenues earned from originating/terminating long distance calls) are generally billed as a per minute charge and are billed in arrears and recognized in the month the service is provided.

Interstate access revenues also include settlements based on the Company's participation in the revenue pools administered by the National Exchange Carriers Association (NECA). These revenues are determined by annually determined separation and interstate access cost studies. Revenues for the current year are based on estimates prior to the submission of the cost study reporting actual results of operations. Additionally, the studies are subject to a 24-month pool adjustment period and final review and acceptance by the pool administrators. Management does not anticipate significant adjustments to recorded revenues for the years ended December 31, 2014 and 2013.

The Company's federal and state universal service support are intended to compensate the Company for the high cost of providing rural telephone service. Federal Universal Service support revenues includes funds received for the high cost loop support, interstate common line support, Connect America Fund (CAF), and other miscellaneous programs. High cost loop support and interstate common line support are based on the Company's current relative level of operating expense and plant investment. Support from the CAF is based on a historical frozen amount

related to the 2011 plant investment and expenses associated with the switching function and certain 2011 intrastate access revenues (baseline revenues). The baseline revenue used to calculate CAF will be reduced by five percent each year.

The Texas Universal Fund provides options for Small ILECs to elect to modify the methodology for calculating their disbursements. The Company elected the option whereby the commission shall disburse funds to the Company in fixed monthly amounts. For the 12-month period following the initial period for which a company made an election under this subsection and for subsequent 12-month periods, the most recent annualized support amount calculated by the commission shall be adjusted by a factor equal to the percentage change in the consumer price index for the most recent 12-month period. This state support funding program expires September 1, 2017, at which time the program will be reviewed by the Public Utility Commission of Texas.

The revenue received from the federal and state universal service programs are as follows:

	December 31,	
	2014	2013
Interstate Access Support - CAF	\$	
High Cost Local Loop Support		
State Support		
Total Universal Service Fund High Cost Support	\$	

Regulation – The Company's services are subject to rate regulation as follows:

- Local telephone and intrastate access revenues are regulated by the Commission.
- Interstate access revenues are regulated by the FCC through its regulation of rates and settlements procedures as administered by NECA.
- Federal Universal Service revenues are administered by the Universal Service Administration Company (USAC) based on rules established by the FCC, and by NECA.
- State Universal Service funds are administered by Solix Solutions based on rules established by the Public Utility Commission of Texas.

Other sources of revenue are not rate regulated and include directory, billing and collection services, and other incidental services.

Operating expenses and telecommunications plant are related primarily to regulated revenues. However, some of these costs are jointly related to regulated and nonregulated services. For settlement purposes, USF, rate making and other regulatory purposes, the portion of these common costs related to nonregulated activities are removed from these accounts in accordance with Part 64 of the FCC rules in order to ensure that regulated revenues are based on cost of providing regulated services.

Federal USF and Interexchange Carrier Compensation Reform

In 2012, the Federal Communications Commission (FCC) reformed Intercarrier Compensation and Universal Service Funding (USF) mechanisms. The majority of the new rules took effect, subject to various transition provisions. Pending and future regulatory actions may have a significant impact on the Company's future operations and financial condition.

Group Concentrations of Credit Risk

The Company's headquarters facilities are located in Muleshoe, Texas. The service area includes customers located primarily in the West Texas cities of Muleshoe, Olton, Springlake, Sudan, and Earth. The Company records a receivable for sales and service revenues as billed on a monthly basis to the customers and interexchange carriers. The Company requires a deposit from their customers upon connection which is applied to unpaid bills in the event of default. The deposit is returned along with accrued interest after a prompt payment history is established. As of December 31, 2014 and 2013, deposits on hand totaled \$[REDACTED] and \$[REDACTED], respectively.

The Company maintains its cash balances in institutions insured by the Federal Deposit Insurance Corporation. Interest and non-interest bearing accounts are insured up to \$250,000. At various times during the year and at year end, the Company's cash balances exceeded the insured limits.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts in the prior year consolidated financial statements have been reclassified for comparative purpose to conform to the presentation in the current year's financial statements.

Subsequent Events

The Company's management has evaluated subsequent events through April 8, 2015, the date the financial statements were available for issue.

2. Assets Pledged

All assets are pledged as security for the long-term debt to Rural Utilities Service (RUS).

3. Temporary Cash Investments

Temporary cash investments consist of certificates of deposit with maturities of less than one year.

4. Investments in Associated Organizations

The investments in associated organizations are stated at cost and consist of the following:

		December 31,	
		2014	2013
Patronage Capital Credits:			
Rural Telephone Finance Cooperative	\$		
Bailey County Electric Cooperative			
	\$		

5. Noncurrent Cash Investments

Noncurrent cash investments consist of certificates of deposit that mature at times after December 31, 2014.

6. Plant, Property and Equipment in Service

Plant, property and equipment in service consist of the following:

		Original Cost			Accumulated Depreciation	
		December 31,			December 31,	
		2014	2013	Depreciation Rate	2014	2013
General Support Assets	\$					
Central Office Assets						
Terminal Equipment Assets						
Cable and Wire Facilities Assets						
	\$					

Depreciation expense for the years ended December 31, 2014 and 2013 was \$ [REDACTED] and \$ [REDACTED], respectively.

7. Mortgage Notes – RUS

Mortgage notes due to RUS are payable to the United States of America. The notes are for 20 year periods, and principal and interest installments are due monthly. Following is a summary of outstanding debt:

	December 31,	
	2014	2013
██████████ % Note Due 2016	\$ ██████████	██████████
██████████ % Note Due 2025	██████████	██████████
██████████ % Note Due 2025	██████████	██████████
██████████ % Note Due 2025	██████████	██████████
██████████ % Note Due 2025	██████████	██████████
██████████ % Note Due 2025	██████████	██████████
██████████ % Note Due 2025	██████████	██████████
██████████ % Note Due 2025	██████████	██████████
Less: Advance Payments		
Less: Current Maturities		
	\$ ██████████	██████████

Estimated long-term debt maturities for the next five years are as follows:

2015	\$ ██████████
2016	██████████
2017	██████████
2018	██████████
2019	██████████

According to the RUS loan documents, the Company shall make deposits to a funded reserve account so that the net book value of the plant financed by the RUS “A” loan, plus the funded reserve account balance, will at all times be at least equal to the outstanding principal and unpaid interest of the RUS “A” loan.

At December 31, 2014 and 2013, the “A” loan note balance was \$ ██████████ and \$ ██████████ respectively, and the related net book value of the plant financed by the “A” loan was \$ ██████████ and \$ ██████████ respectively. The Company has a funded reserve of \$ ██████████ and \$ ██████████ at December 31, 2014 and 2013, respectively. The restricted funds are included with amounts classified as cash and working funds, and temporary cash investments.

The debt covenants in the RUS mortgage note agreement specify that the Company must maintain a minimum net plant to secured debt ratio (DSC) of ██████████ and a times interest earned ratio (TIER) of ██████████. At December 31, 2014, the Company met the secured debt ratio with a DSC of ██████████ and the TIER debt covenant requirement with a TIER of ██████████.

8. Accounts Receivable and Payable – Related Parties

Five Area Telephone Cooperative, Inc. (the Cooperative) owns 100% of the common stock in West Plains Telecommunications, Inc. The Cooperative operates the Company under an operating agreement which provides that the Cooperative furnish its employees and facilities to the Company to assist it in performing its business functions. For all services rendered, the operating agreement provides that the Company will reimburse the Cooperative for actual cost. The Company also provides and receives telecommunications and other services from Five Area Long Distance, Inc. and Five Area Systems, Inc. These companies are also wholly-owned subsidiaries of Five Area Telephone Cooperative, Inc. The Company owes these related parties an amount of \$ [REDACTED] and \$ [REDACTED] as of December 31, 2014 and 2013, respectively. During the years ended December 31, 2014 and 2013, the Company recognized the following revenues and expenses from these related parties:

	December 31,	
	2014	2013
Revenues:		
Network Access Services	\$ [REDACTED]	\$ [REDACTED]
Carrier Billing and Collection Services	\$ [REDACTED]	\$ [REDACTED]
Expenses:		
Network Access Services	\$ [REDACTED]	\$ [REDACTED]
Building Space Rent	\$ [REDACTED]	\$ [REDACTED]

9. Income Taxes

The Company follows the provisions of Financial Accounting Standards for "Accounting for Income Taxes" generally accepted in the United States of America. The objective of the asset and liability method is to establish deferred tax assets and liabilities for the temporary difference between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. The Company files a consolidated federal income tax return with its parent company, Five Area Telephone Cooperative, Inc. Current taxes are allocated to the entities based on the taxable income of each entity. Deferred taxes are allocated to each company on a stand-alone basis.

Income taxes are provided for tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to accelerated depreciation. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will result in a tax savings or cost, when the asset or liability is realized.

Deferred income taxes result from transactions that enter into the determination of taxable income in different periods than recorded for financial reporting purposes. The Company's principal sources of deferred income taxes are accelerated depreciation.

The components of the deferred tax assets and liabilities recognized in the financial statements are as follows at December 31, 2014 and 2013:

		December 31,	
		2014	2013
Net Current Deferred Income Tax Asset (Liability)	\$		
Net Noncurrent Deferred Income Tax Liability	\$		

The State of Texas state franchise tax is the lower of one percent of the sum of, gross revenue less the higher of gross wages or cost of goods sold, or 70% of gross revenues. The Texas Franchise Tax expense for the years ended December 31, 2014 and 2013 was \$20,061 and \$18,528, respectively.

The components of federal and state income tax expense are as follows for the years ended December 31, 2014 and 2013:

		December 31,	
		2014	2013
Current Income Tax Expense	\$		
Deferred Income Tax Expense (Benefit)	\$		

The Company adheres to the “uncertain tax positions” provisions of accounting principles generally accepted in the United States of America. The Company determined that it is more likely than not that its tax positions will be sustained upon examination by the Internal Revenue Service (IRS) or other State taxing authority and that all tax benefits are likely to be realized upon settlement with taxing authorities.

The Company and its parent company file consolidated income tax returns in the U.S. federal jurisdiction, and in the State of Texas. The Company is no longer subject to U.S. federal and state income tax examinations by federal taxing authorities for years before 2011, and state taxing authorities for years before 2010.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. There were no penalties or interest recognized during the years ended December 31, 2014 and 2013.

10. Commitments, Contingencies, and Litigation

At December 31, 2014, the Company has no significant commitments or contingencies nor is there any pending litigation against the Company that is expected to result in a material liability.

ACCOMPANYING INFORMATION

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WEST PLAINS TELECOMMUNICATIONS, INC.

Schedule 1

**TELECOMMUNICATIONS PLANT
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Balance 1/1/2014</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Balance 12/31/2014</u>
TELECOMMUNICATIONS PLANT IN SERVICE				
General Support Assets:				
Land	\$			
Motor Vehicles				
Other Work Equipment				
Buildings				
General Purpose Computers				
	\$			
Central Office Assets:				
Digital Electronic Switching Equipment	\$			
Circuit Equipment				
Local Loop Fiber Equipment				
DSL Equipment				
	\$			
Terminal Equipment Assets:				
Other Terminal Equipment	\$			
Cable and Wire Facilities Assets:				
Pole Lines	\$			
Aerial Cable				
Buried Cable				
Intrabuilding Network Cable				
Conduit System				
	\$			
Total Plant in Service	\$			
Plant Under Construction				
Total Telecommunications Plant	\$			

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WEST PLAINS TELECOMMUNICATIONS, INC.

Schedule 2

ACCUMULATED PROVISION FOR DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Balance</u> <u>1/1/2014</u>	<u>Accruals</u>	<u>Transfers and</u> <u>Retirements</u>	<u>Balance</u> <u>12/31/2014</u>
TELECOMMUNICATIONS PLANT IN SERVICE				
General Support Assets:				
Motor Vehicles	\$			
Other Work Equipment				
Buildings				
General Purpose Computers				
	\$			
Central Office Assets:				
Digital Electronic Switching Equipment	\$			
Circuit Equipment				
Local Loop Equipment				
DSL Equipment				
	\$			
Terminal Equipment Assets:				
Other Terminal Equipment	\$			
Cable and Wire Facilities Assets:				
Poles and Towers	\$			
Aerial Cable				
Buried Cable				
Intrabuilding Network Cable				
Conduit Systems				
	\$			
Total Telecommunications Plant	\$			
(1) Original Cost of Plant Retired			\$	
Add: Cost of Removal				
Less: Salvage Value			<u> </u>	
			\$	

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WEST PLAINS TELECOMMUNICATIONS, INC.**Schedule 3****RUS MORTGAGE NOTES
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Loan Number</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>Amount Unadvanced</u>	<u>Principal Repayments</u>	<u>Net Obligation</u>
12010	06-30-96					
12020	10-26-05					
12021	10-26-05					
12022	10-26-05					
12023	10-26-05					
12024	10-26-05					
12025	10-26-05					
S020	10-26-05					
Advance Payments						

Net obligations include \$ due RUS payable within one year and classified as a current liability on the balance sheet.

COMPLIANCE AND INTERNAL CONTROL SECTION

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3806

FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

**REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACUAL AGREEMENTS
AND REGULATORY REQUIREMENTS FOR TELEPHONE BORROWERS****Independent Auditor's Report**

Board of Directors
West Plains Telecommunications, Inc.
Muleshoe, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of West Plains Telecommunications, Inc. (the Company), which comprise the balance sheet as of December 31, 2014, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 8, 2015. In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2015, on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that the Company failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33 and clarified in the RUS policy memorandum dated February 7, 2014, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Company's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding the Company's accounting and records to indicate that the Company did not:

Maintain adequate and effective accounting procedures;

Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;

Reconcile continuing property records to the controlling general ledger plant accounts;

Clear construction accounts and accrue depreciation on completed construction;

Record and properly price the retirement of plant;

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Seek approval of the sale, lease or transfer capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;

Maintain adequate control over materials and supplies;

Prepare accurate and timely Financial and Operating Reports;

Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the telephone system;

Disclose material related party transactions in the financial statements. In accordance with requirements for related parties in generally accepted accounting principles;

Record depreciation in accordance with RUS requirements (See RUS Bulletin 183-1, Depreciation Rates and Procedures);

Comply with the requirements for the detailed schedule of deferred credits; and

Comply with the requirements for the detailed schedule of investments.

This report is intended solely for the information and use of the Board of Directors, management and the RUS, and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

April 8, 2015

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3806

FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

Board of Directors
West Plains Telecommunications, Inc.
Muleshoe, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of West Plains Telecommunications, Inc. (the Company) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise of the Company's basic financial statements, and have issued our report thereon dated April 8, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies,. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of the effectiveness of the Company's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

April 8, 2015